



# INTERNATIONAL EGG AND POULTRY REVIEW

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Agricultural Marketing Service

Poultry Programs

Market News Branch

## Newcastle in Belarus

A single case of Exotic Newcastle Disease was detected on a private farm on May 16, 2003. Control measures consist of quarantine, vaccination and movement control inside the country.

Source: [www.oie.int](http://www.oie.int), [www.promedmail.org](http://www.promedmail.org)

## Avian Influenza

The last outbreak of highly pathogenic avian influenza (HPAI) affecting a commercial poultry holding in Kelpen (Limburg), was confirmed on 23 May 2003. In a letter on Tue, 3 Jun 2003 by Minister of Agriculture Veerman to the Parliament, he described the improved situation while indicating that a new outbreak is still a possibility.

Veterinary experts regard the mean incubation period of HPAI in poultry to be 10 days. In view of the period elapsed since the last dates of suspected as well as confirmed outbreaks, the poultry sector can breathe a sigh of relief.

The HPAI outbreak has cost the life of almost 30 million chickens on 255 poultry holdings (including 22 pet-avian premises). The poultry owners association is of the opinion that some of these farms will never return to business.

Sources: [www.promedmail.org](http://www.promedmail.org), <http://europa.eu.int>,  
[www.minlnv.nl/infomart/parlemnt/2003/par03173.htm](http://www.minlnv.nl/infomart/parlemnt/2003/par03173.htm)

## Impact of Czech EU Accession on U.S. Exports

The Czech Republic will join the European Union (EU) on May 1, 2004. At that time the Czech Republic will have adopted not only EU legislation, but also accept the EU tariff system and the Common Agricultural Policy (CAP). The affects on U.S. exports are mixed and driven mostly by tariff changes.

For the past several years the Czech Republic has been adopting and implementing a wide range of EU rules as part of the "Aquis Communautaire". Many of these rules protect the Czech market on the basis of phytosanitary and veterinary requirements. Because of these rules, the United States supplies no fresh/frozen meat although the import market is about \$70 million and is served by at least 15 exporting countries (other than the EU). There is demand for high quality U.S. beef and poultry for retail sale but these products continue to be constrained by EU-inspired salmonella restrictions. For example, an exporter of poultry leg quarters might not want to risk that a consignment would test positive and then have the shipment constrained to use as an ingredient in a lower value heat treated product.

The production of poultry is highly concentrated in the Czech Republic. The domestic poultry market is also highly protected and even though prices of poultry are higher than world prices, Czech producers are only slightly profitable. Poultry production is not directly subsidized in either the EU nor in the Czech Republic. After accession, prices of poultry may decrease slightly and some producers will go out of business. Additional outlays to meet EU animal welfare standards (floor area, etc.) may also push some producers out of the market.

Source: Foreign Agricultural Service, USDA

## U.S. and Chile to Sign Free Trade Agreement in Miami, June 6

The United States and Chile signed the U.S.-Chile Free Trade Agreement on Friday, June 6th in Miami, Florida. U.S. Trade Representative Robert B. Zoellick will sign the agreement on behalf of the United States, and Chilean Foreign Minister Soledad Alvear will sign for Chile. Once signed, the agreement must be approved by both the U.S. and Chilean legislatures.

Chile's decision to recognize the equivalency of the U.S. meat inspection system removed a major obstacle to the free trade agreement. Previously, Chile only permitted the importation of pork, beef and lamb from facilities that paid for Chilean inspectors to travel to the U.S. to inspect and certify these facilities. Due to the costs involved, few U.S. plants were certified to ship meat to Chile.

The U.S.-Chile FTA negotiations were completed on December 11 2002. Under the Trade Act of 2002, the Administration must notify Congress at least 90 days before signing the agreement. This notification was sent on January 30, 2003. As soon as the negotiations were completed, the agreement underwent an extensive legal review. In addition, the text of the agreement had to be translated into Spanish which is near completion. Both the English and Spanish versions will be equally authentic.

The U.S.-Chile FTA is the first between the United States and a South American country. The United States has four free trade partners Canada and Mexico (NAFTA); Israel; and, Jordan. An FTA with Singapore was also recently signed. Both the Chile and Singapore FTAs require Congressional ratification. In accordance with TPA requirements, the Office of the U.S. Trade Representative will work closely and expeditiously with the Congress on legislation to implement these agreements.

Source: USTR Press Release, [www.agriculturelaw.com](http://www.agriculturelaw.com)

## Heat Wave in India

Temperatures have soared as high as 113 to 119 degrees Fahrenheit in the southern state of Andhra Pradesh, India. According to the Andhra Pradesh Poultry Federation, 2.3 million layers and more than 400,000 broiler chickens have died from the extreme heat. Egg production has dropped from 35 million per day to 26 million. Agriculture has also been severely affected because of acute water shortages. The poultry industry in Andhra Pradesh provides eggs for all eastern states and exports to markets in Asia and beyond. The monsoon is not expected to hit Andra Pradesh until mid-June.

Source: news services

## India:Egg Production and Exports

	1999	2000	2001	2002
Shell Egg Production	96,300	103,680	104,610	109,630
Exports Shell eggs	252	569	558	1,111
Dried Egg	2,000	3,000	4,000	5,000
shell eggs in '000 boxes, dried eggs in metric tons				

Source: International Egg Commission

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**Inspected Egg Products-U.S. & Canada Export/Import Trade****U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending May 31, 2003	2003	2002/1	2003	2002
Liquid	363	399	6,041	8,175
Frozen	0	0	63	0
Dried	0	41	217	261
Total	363	440	6,321	8,436

**U.S. Imports From Canada, in Pounds (000) (Preliminary)**

Week Ending May 31, 2003	2003	2002/1	2003	2002
Liquid	136	70	2,425	2,867
Frozen	8	9	1,532	1,557
Dried	80	100	640	2,234
Total	224	179	4,597	6,658

**Inspected Shell Eggs****U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending May 31, 2003	2003	2002 /1	2003	2002
Jumbo	30	0	211	1,084
Extra Large	500	1,527	6,650	8,735
Large	2,950	3,321	30,386	50,214
Medium	690	1,364	26,418	22,182
Ungraded	1,440	12,300	21,486	125,375
Misc	0	0	3,072	12,094
Total	5,610	18,512	88,223	219,684

/1 Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

**CENTRAL REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

06-JUN-2003				
CHICKEN				
PRICES VOLUME				
(Cents per Pound)				

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

**CHICKEN, WITH SKIN ADDED**

06-JUN-2003				
CHICKEN				
PRICES VOLUME				
(Cents per Pound)				
FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	19.00	17.00	90,800	-
WTD AVERAGE	19.00	17.00		
15-20%				
RANGE	12.00-15.00	10.00-16.00	2,256,800	120,800
WTD AVERAGE	13.50	12.12		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

\* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

**LIVE POULTRY SLTRD UNDER INSPECTION** W/E 31-May-03  
(PRELIMINARY)**U.S. FOWL SLAUGHTERED DOMESTICALLY**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
THOUSANDS			
HEAD	1,369	1,217	2,586
LAST WEEK	1,624	1,463	3,087
SAME WEEK YR AGO	1,555	1,132	2,687
TO-DATE/2003	36,688	29,053	65,741
TO-DATE/2002	40,251	28,790	69,041

**U.S. FOWL SLAUGHTERED IN CANADA**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
THOUSANDS			
HEAD	60	6	66
LAST WEEK	58	0	58
SAME WEEK YR AGO	334	0	334
TO-DATE/2003	5,535	74	5,609
TO-DATE/2002	7,031	31	7,062

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

**TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA**

	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	1,429	1,223	2,652
LAST WEEK	1,682	1,463	3,145
SAME WEEK YR AGO	1,889	1,132	3,021
TO-DATE/2003	42,223	29,127	71,350
TO-DATE/2002	47,282	28,821	76,103

SOURCE: USDA/AMS PLTRY PROGRAMS, MARKET NEWS BR.

**EASTERN REGION MECHANICALLY SEPARATED CHICKEN**

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

06-JUN-2003				
CHICKEN				
PRICES VOLUME				
(Cents per Pound)				

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

**CHICKEN, WITH SKIN ADDED**

06-JUN-2003				
CHICKEN				
PRICES VOLUME				
(Cents per Pound)				
FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	15.75-18.50	-	520,000	520,000
WTD AVERAGE	17.13			
15-20%				
RANGE	14.50-16.50	11.00-15.50	2,232,000	312,000
WTD AVERAGE	15.83	11.92		
20% OR MORE				
RANGE	-	11.50	80,000	80,000
WTD AVERAGE		11.50		

\* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

**NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 6 JUNE 2003.**

The undertone on fresh white meat was steady at best with some slight improved activity being noted. Offerings were available. The undertone on frozen white meat was steady to instances weak with only lack luster buyer interest noted. Domestic trading was light on all items. Some sized fresh tom breast meat traded at 120 cents delivered. Export trading was extremely active with trading centered on thigh meat and tom parts. Demand was good for Russia with interest also noted for Asia, Eastern Europe and Mexico. Increased demand on thigh meat was noted from Mexico due in part to increased strength in competing red meat items.

**FRIDAY, JUNE 06, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	17.50-21.00		19.70	520	20.00	972
WINGS FULL-CUT - TOMS		R	13.03	244	13.23	1,192
WINGS, V-TYPE, TOM	21.00-22.00		21.33	624	21.33	624
TAILS		R	17.50	40	17.50	40
MECHANICALLY SEPARATED 2/	13.50		13.50	208	15.91	448
THIGH MEAT - FROZEN	48.00-68.00		62.84	796	49.51	4,530

**THURSDAY, JUNE 05, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	20.00-21.00		20.84	124
WINGS FULL-CUT - TOMS	12.50-16.00		13.03	244
WINGS, V-TYPE, TOM		F	18.43	366
TAILS	17.50		17.50	40
MECHANICALLY SEPARATED 2/	18.00		18.00	160
THIGH MEAT - FROZEN	44.00-69.00		47.08	1,284

**WEDNESDAY, JUNE 04, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	20.00-21.00		20.70	132
WINGS FULL-CUT - TOMS	12.50-15.00		13.75	516
WINGS, V-TYPE, TOM		F	18.43	366
TAILS				
MECHANICALLY SEPARATED 2/	18.00		18.00	80
THIGH MEAT - FROZEN	46.00-51.00		46.62	2,202

**TUESDAY, JUNE 03, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	19.50-21.00		19.81	196
WINGS FULL-CUT - TOMS	12.00-13.00		12.72	432
WINGS, V-TYPE, TOM		F	18.43	366
TAILS				
MECHANICALLY SEPARATED 2/		F	16.00	120
THIGH MEAT - FROZEN	43.00-45.00		44.00	208

**MONDAY, JUNE 02, 2003****EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		F	20.00	240
WINGS FULL-CUT - TOMS		R	13.00	52
WINGS, V-TYPE, TOM		F	18.43	366
TAILS				
MECHANICALLY SEPARATED 2/		F	16.00	120
THIGH MEAT - FROZEN	50.00		50.00	40

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY

2/ Product contains 15-20% fat with skin added.

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